
By: **Senators Jones, Conway, Forehand, and McFadden**
Introduced and read first time: January 31, 2003
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverage Tax - Maryland Emergency Medical System Operations**
3 **Fund**

4 FOR the purpose of increasing State tax rates for alcoholic beverages sold in
5 Maryland; altering the distribution of the alcoholic beverage tax revenues for
6 certain fiscal years; requiring the Comptroller to distribute a portion of the
7 alcoholic beverage tax revenues for certain fiscal years to the Maryland
8 Emergency Medical System Operations Fund; and generally relating to the
9 alcoholic beverage tax and the dedication of certain alcoholic beverage tax
10 revenues for certain purposes for certain fiscal years.

11 BY repealing and reenacting, with amendments,
12 Article - Tax - General
13 Section 2-301 and 5-105(a), (b), and (c)
14 Annotated Code of Maryland
15 (1997 Replacement Volume and 2002 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
17 MARYLAND, That the Laws of Maryland read as follows:

18 **Article - Tax - General**

19 2-301.

20 (a) From the alcoholic beverage tax revenue, the Comptroller shall distribute
21 the amount necessary to administer the alcoholic beverage tax laws to an
22 administrative cost account.

23 (b) [After] EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION,
24 AFTER making the distribution required under subsection (a) of this section, the
25 Comptroller shall distribute the remaining alcoholic beverage tax revenue to the
26 General Fund of the State.

27 (C) FOR EACH OF FISCAL YEARS 2005 THROUGH 2009, BEFORE MAKING THE
28 DISTRIBUTION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION, THE

1 COMPTROLLER SHALL DISTRIBUTE 100% OF THE ADDITIONAL ALCOHOLIC BEVERAGE
2 TAX REVENUES RESULTING FROM THE INCREASE IN THE ALCOHOLIC BEVERAGE
3 TAX RATES UNDER CHAPTER _____ OF THE ACTS OF 2003 (S.B. _____)(3LR1559), AS
4 DETERMINED BY THE COMPTROLLER, TO THE MARYLAND EMERGENCY MEDICAL
5 SYSTEM OPERATIONS FUND ESTABLISHED UNDER § 13-955 OF THE TRANSPORTATION
6 ARTICLE.

7 5-105.

8 (a) Except as provided in subsection (e) of this section, the alcoholic beverage
9 tax rate for distilled spirits is:

10 (1) [\$1.50] \$3 for each gallon or [39.63] 79.26 cents for each liter; and

11 (2) if distilled spirits contain a percentage of alcohol greater than 100
12 proof, an additional tax, for each 1 proof over 100 proof, of [1.5] 3 cents for each
13 gallon or [0.3963] 0.7926 cents for each liter.

14 (b) Except as provided in subsection (e) of this section, the alcoholic beverage
15 tax rate for wine is [40] 80 cents for each gallon or [10.57] 21.14 cents for each liter.

16 (c) Except as provided in subsection (e) of this section, the alcoholic beverage
17 tax rate on beer is [9] 18 cents for each gallon or [2.3778] 4.7556 cents for each liter.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 July 1, 2003.